



Steve Troxler  
Commissioner

North Carolina Department of Agriculture  
and Consumer Services  
*Food and Drug Protection Division*

Audrey Pilkington  
Director

June 23, 2015

Kelly Collier, Senior Director, Legal (Business)  
Dollar General Corporation  
100 Mission Ridge  
Goodlettsville, TN 37072

Dear Ms. Collier:

Please find attached signed settlement agreement between the North Carolina Department of Agriculture and Consumer Services (NCDA&CS) and Dollar General.

Sincerely,

Audrey Pilkington  
Director, Food & Drug Protection Division

cc: Joe Reardon  
Tina Hiabse  
Janine Owens  
Anita MacMullan

**DOLLAR GENERAL**

Dollar General Corporation  
100 Mission Ridge  
Goodlettsville, TN 37072  
U.S.A.

WRITER'S DIRECT DIAL: (615) 855-5171  
WRITER'S FACSIMILE: (615) 855-5180  
kcollier@dollargeneral.com

June 11, 2015

**Via Federal Express – Overnight Delivery**

Audrey Pilkington  
NCDA&CS, Food and Drug Protection Division  
1070 Mail Service Center  
Raleigh, NC 27699-1070

**RE: SETTLEMENT AGREEMENT BETWEEN NCDA&CS AND DOLLAR GENERAL**

Dear Ms. Pilkington:

Enclosed please find two copies of the Settlement Agreement signed by Dollar General, and a check for NCDA&CS in the amount of \$163,000. Upon signing, please return a fully executed copy of the Agreement to Dollar General. If you have any further questions please do not hesitate to contact me.

Sincerely,



Kelly Collier  
Senior Director, Legal (Business)

Save time. Save money. Every day.

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

NORTH CAROLINA DEPARTMENT  
OF AGRICULTURE AND CONSUMER  
SERVICES, FOOD AND DRUG  
PROTECTION DIVISION

IN THE MATTER OF:

DOLLAR GENERALSTORE #9525	)	
DOLLAR GENERAL STORE #7286	)	
DOLLAR GENERAL STORE #10444	)	
DOLLAR GENERAL STORE #9440	)	SETTLEMENT AGREEMENT
DOLLAR GENERAL STORE #4318	)	
DOLLAR GENERAL STORE #1808	)	
DOLLAR GENERAL STORE #7482	)	
DOLLAR GENERAL STORE #4945	)	
DOLLAR GENERAL STORE #11355	)	
DOLLAR GENERAL STORE #4943	)	

#### RECITALS

The North Carolina Department of Agriculture and Consumer Services (hereinafter "NCDA&CS") and Dollar General Corporation (hereinafter "Dollar General") desire to fully and finally settle this and all other disputes and controversies surrounding NCDA&CS's assessment of civil penalties against Dollar General for its violations of the North Carolina Food, Drug and Cosmetic Act, N.C. General Statute §106-129(1) (c) and (d) in the above referenced stores from September 2014 through December 2014.

WHEREAS, Dollar General was assessed civil penalties in the sum of Three Hundred Twenty-Six Thousand Dollars (\$326,000.00).

WHEREAS, Dollar General has expended a large amount of work, money and investment to develop and execute its remediation plan and bring all of its stores located in North Carolina into compliance with the North Carolina Food, Drug and Cosmetic Act.

WHEREAS the parties desire to resolve these matters without litigation.

NOW THEREFORE, the parties agree as follows:

1) Dollar General hereby agrees to pay the sum of One Hundred Sixty-Three Thousand Dollars (\$163,000.00) to NCDA&CS on or before June 12, 2015 by mailing a check to Audrey Pilkington, NCDA&CS, Food and Drug Protection Division, 1070 Mail Service Center, Raleigh, NC 27699-1070.

2) The parties agree that the balance of the civil penalty in the sum of One Hundred Sixty-Three Thousand Dollars (\$163,000.00) shall be held in abeyance for a term of two (2) years from the date of this agreement. During said term of two years, NCDA&CS will continue to routinely inspect Dollar General Stores in North Carolina. If during that two year period there is no evidence or documentation in multiple stores of rodent activity or adulterated products, payment of the remaining balance of the civil penalty in the sum of One Hundred Sixty-Three Thousand Dollars (\$163,000.00) will be forgiven.

3) If at any time during the two year abeyance period there is documentation or evidence of rodent activity or adulterated products in multiple Dollar General Stores, the balance of said civil penalty in the sum of One Hundred Sixty-Three Thousand Dollars (\$163,000.00) shall be due and payable to Audrey Pilkington at the address hereinabove stated within thirty days from the date NCDA&CS gives notice of such rodent activity or adulterated products.

4) For the purpose of this Settlement Agreement, evidence of rodent activity means documentation by NCDA&CS inspectors during an inspection of observations such as nesting, excreta, urine stains, gnawed packaging or food or other evidence of the presence of rodents within the store. Evidence of rodent activity **does not include** records collected and maintained by Dollar General, third party auditors or current pest control operator(s) that document the identification of rodent activity and demonstrate that the issue was promptly identified, documented, effectively corrected and monitored to ensure that the rodent activity was controlled and does not present an ongoing issue at the facility.

5) The parties agree and acknowledge that NCDA&CS is required by law to turn Dollar General payments over to the North Carolina Department of Public Instruction, retaining only such costs as are permitted by law.

6) If Dollar General receives notice from NCDA&CS that Dollar General is in material breach of this Settlement Agreement, and Dollar General fails to cure said material breach within such time as NCDA&CS may grant, Dollar General hereby agrees and stipulates that any unpaid portion of the civil penalty of Three Hundred Twenty-Six Thousand Dollars (\$326,000.00), less credit for payments made to NCDA&CS as provided herein, shall be immediately due and owing to NCDA&CS.

7) The parties mutually agree to act in good faith in the implementation of this Settlement Agreement. The parties agree to bear their own attorney's fees and costs. It is understood between the parties that this Agreement contains the entire agreement between the parties hereto regarding the matters set forth herein, and it supersedes all previous negotiations, discussions and understandings regarding such matters.

8) The terms of this Agreement are contractual and not a mere recital, and may be modified only in a writing executed by all signatories hereto.

9) The effective date of this Agreement will be the date on which it has been executed by all parties as shown on the signature lines below.

10) North Carolina law shall govern the interpretation and enforcement of this Agreement.

IN TESTIMONY WHEREOF, the parties have hereto set their hands and signatures on  
the dates indicated below:

NORTH CAROLINA DEPARTMENT OF AGRICULTURE  
AND CONSUMER SERVICES:

BY: Audrey Pilkington  
Audrey Pilkington, Director,  
Food & Drug Protection Division

DATE: June 23, 2015

DOLLAR GENERAL CORPORATION

BY: W. C. Bass

DATE: June 11, 2015

TITLE: VP Store Services

STATE OF NORTH CAROLINA

COUNTY OF WAKE:

Audrey Pilkington, Director, Food & Drug Division of the North Carolina Department of  
Agriculture and Consumer Services, personally appeared before me this day and duly executed  
the foregoing Settlement Agreement in duplicate originals for the purposes therein expressed.

Witness my hand and notarial seal this the 23 day of June, 2015.

Sharon Fisher  
Notary Public

My Commission Expires:

12/19/2018

STATE OF Tennessee

COUNTY OF Davidson

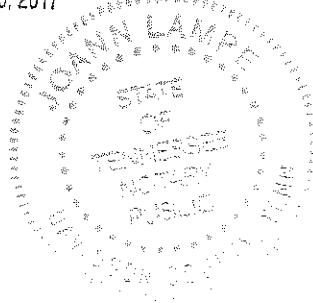
William Bass, VP Store Services of Dollar General Corporation,  
personally appeared before me this day and duly executed the foregoing Settlement Agreement  
in duplicate originals for the purposes therein expressed.

Witness my hand and notarial seal this the 11<sup>th</sup> day of June, 2015.

[Signature]  
Notary Public

My Commission Expires:


My Commission Expires MAY 8, 2017





## TRANSMITTAL MEMORANDUM

TO: Anita MacMullan  
North Carolina Department of Agriculture & Consumer Services  
Food and Drug Protection Division  
1070 Mail Services Center  
Raleigh, NC 27699-1070

FROM: Carla T. Poirier, Sr. Counsel   
Family Dollar, Inc.  
1040 Monroe Road  
Matthews, NC 28105

DATE: September 7, 2018

RE: Family Dollar Store 7366

Hello Anita: Attached please find the executed Settlement Agreement between Family Dollar and the NC Department of Agriculture.

The check is being processed and should be mailed to you this week.

Thank you again for all your assistance and consideration in this matter.

Attachment

A handwritten signature, likely of Carla T. Poirier, consisting of a stylized 'C' followed by a series of loops and a long horizontal stroke.

NORTH CAROLINA DEPARTMENT  
OF AGRICULTURE AND CONSUMER  
SERVICES, FOOD AND DRUG  
PROTECTION DIVISION

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The North Carolina Department of Agriculture and Consumer Services (hereinafter "NCDA&CS") and Family Dollar Incorporated (hereinafter "Family Dollar") desire to fully and finally settle this and all other disputes and controversies surrounding NCDA&CS's assessment of civil penalties against Family Dollar for its violations of the North Carolina Food, Drug and Cosmetic Act, N.C. General Statute §106-129(1) (c) and (d) in the above referenced store from February 2018 through March 2018.

WHEREAS, Family Dollar was assessed civil penalties in the amount of Sixty-Eight Thousand Dollars (\$68,000.00).

WHEREAS, Family Dollar has expended time, money and resources to develop and execute a remediation plan and bring the store located in Pinetops, North Carolina into compliance with the North Carolina Food, Drug and Cosmetic Act.

WHEREAS the parties desire to resolve these matters without litigation.

NOW THEREFORE, the parties agree as follows:

1) Family Dollar hereby agrees to pay the sum of Thirty-Four Thousand Dollars (\$34,000.00) to NCDA&CS on or before September 12, 2018 by mailing a check to Anita MacMullan, NCDA&CS, Food and Drug Protection Division, 1070 Mail Service Center, Raleigh, NC 27699-1070.

2) The parties agree that the balance of the civil penalty, Thirty-Four Thousand Dollars (\$34,000.00), shall be held in abeyance for a term of one (1) year from the date of this agreement. During this one year period, NCDA&CS will continue to routinely inspect Family Dollar Stores in North Carolina. If during that one year period there is no evidence or documentation of rodent activity or rodent adulterated products that result in a request by NCDA&CS for a voluntary closure of the facility, then payment of the remaining Thirty-Four Thousand Dollars (\$34,000.00) held in abeyance will be waived.

3) If at any time during the one year abeyance period there is documentation or evidence of rodent activity or rodent adulterated products that result in a request by the Department for a voluntary closure of the facility, the balance of the civil penalty in the sum of Thirty-Four Thousand Dollars (\$34,000.00) shall be due and payable to Anita MacMullan at the address hereinabove stated within thirty days from the date NCDA&CS gives notice of such rodent activity or adulterated products.

4) For the purpose of this Settlement Agreement, evidence of rodent activity means documentation by NCDA&CS inspectors during an inspection of observations such as nesting, excreta, urine stains, gnawed packaging or food or other evidence of the presence of rodents within the store. Evidence of rodent activity **does not include** records collected and maintained by Family Dollar, third party auditors or current pest control operator(s) that document the identification of rodent activity and demonstrate that the issue was promptly identified, documented, effectively corrected and monitored to ensure that the rodent activity was controlled and does not present an ongoing issue at the facility.

5) The parties agree and acknowledge that NCDA&CS is required by law to turn Family Dollar payments over to the North Carolina Department of Public Instruction, retaining only such costs as are permitted by law.

6) If Family Dollar receives notice from NCDA&CS that Family Dollar is in material breach of this Settlement Agreement, and Family Dollar fails to cure said material breach within such time as NCDA&CS may grant, Family Dollar hereby agrees and stipulates that any unpaid portion of the civil penalty of Sixty-Eight Thousand Dollars (\$68,000.00), less credit for payments made to NCDA&CS as provided herein, shall be immediately due and owing to NCDA&CS.

7) The parties mutually agree to act in good faith in the implementation of this Settlement Agreement. The parties agree to be responsible for their own attorney's fees and costs. It is understood between the parties that this Agreement contains the entire agreement between the parties hereto regarding the matters set forth herein, and it supersedes all previous negotiations, discussions and understandings regarding such matters.


8) The terms of this Agreement are contractual and not a mere recital, and may be modified only in writing executed by all signatories hereto.

9) The effective date of this Agreement will be the date on which it has been executed by all parties as shown on the signature lines below.

10) North Carolina law shall govern the interpretation and enforcement of this Agreement.

IN TESTIMONY WHEREOF, the parties have hereto set their hands and signatures on the dates indicated below:

NORTH CAROLINA DEPARTMENT OF AGRICULTURE  
AND CONSUMER SERVICES:

BY:   
Anita MacMullan, Director,  
Food & Drug Protection Division

DATE: 9/13/2018

FAMILY DOLLAR INCORPORATED

BY:

Michael Newman

DATE:

9/6/2018

TITLE:

VP Sales and Operations

STATE OF NORTH CAROLINA

COUNTY OF WAKE:

Anita MacMullan, Director, Food & Drug Division of the North Carolina Department of Agriculture and Consumer Services, personally appeared before me this day and duly executed the foregoing Settlement Agreement in duplicate originals for the purposes therein expressed.

Witness my hand and notarial seal this <sup>13<sup>th</sup></sup>~~6<sup>th</sup>~~ day of September, 2018.

My Commission Expires:

July 4, 2023 <sup>1113</sup>

October 22, 2022

STATE OF North Carolina

COUNTY OF Mecklenburg

Michael Newman, of Family Dollar Incorporated, personally appeared before me this day and duly executed the foregoing Settlement Agreement in duplicate originals for the purposes therein expressed.

Witness my hand and notarial seal this the <sup>6<sup>th</sup></sup>~~6<sup>th</sup>~~ day of September, 2018.

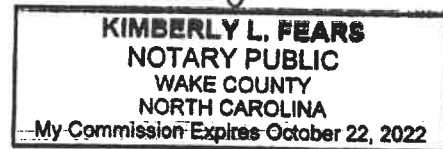
My Commission Expires:

July 4, 2023

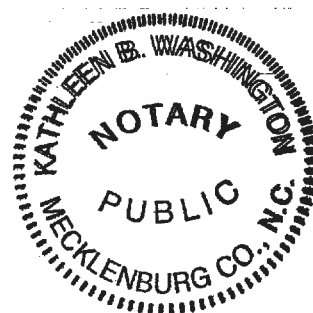
Kathleen B. Washington  
Notary Public

Kimberly L. Fears

Kimberly L. Fears



Kathleen B. Washington  
Notary Public



STATE OF NORTH CAROLINA  
COUNTY OF WAKE

NORTH CAROLINA DEPARTMENT  
OF AGRICULTURE AND CONSUMER  
SERVICES, FOOD AND DRUG  
PROTECTION DIVISION

IN THE MATTER OF  
RANCH PHARMACY, LLC

CIVIL PENALTY ASSESSMENT,  
ISSUED SEPTEMBER 13, 2016

### SETTLEMENT AGREEMENT

PURSUANT TO N.C. Gen. Stat. 150B-22 and 150B-41(c), which express the State's policy that parties shall attempt to mediate and resolve contested matters by settlement or stipulation, this agreement (the "Agreement") is made and entered into on the date reflected opposite the signature of Jeremy Evans, Drug Administrator, appearing below on page 4, by and between the North Carolina Department of Agriculture and Consumer Services, Food and Drug Protection Division (hereinafter the "Department") and Ranch Pharmacy, LLC, 10769 N. Frank Lloyd Wright Blvd., Suite A-100, Scottsdale, Arizona (hereinafter "Ranch Pharmacy, LLC").

### RECITALS:

WHEREAS, the Department received information from the North Carolina Board of Pharmacy documenting that non-controlled prescription drug products in sealed and unsealed containers were shipped from Ranch Pharmacy, LLC, 10769 N. Frank Lloyd Wright Blvd., Suite A-100, Scottsdale, AZ to retail pharmacies located in North Carolina.

WHEREAS, the Department's investigation confirmed that Ranch Pharmacy, LLC engaged in the wholesale distribution of prescription drugs in the State of North Carolina during 2014 and 2015.

WHEREAS, the Department has no records indicating that Ranch Pharmacy, LLC has applied for or obtained a license from the NCDA&CS to engage in the wholesale distribution of prescription drugs within this state as required by NCGS §106-145.3, either by registration or reciprocity with the state of Arizona.

WHEREAS, on September 13, 2016, the Department assessed Ranch Pharmacy, LLC a civil penalty of One Thousand Dollars (\$1,000.00) for violating N.C. General Statute § 106-145.3.

WHEREAS, as a result of settlement conversations and in an effort to resolve this matter to avoid the burden and expense of litigation, the Department and Ranch Pharmacy, LLC desire to fully and finally compromise and settle any and all disputes and controversies arising out of or in any way connected with this matter as described above and the issues involved in the above-described claim and dispute.

NOW THEREFORE, for and in consideration of, among other things, the promises contained herein, the representations, covenants and warranties contained herein, the obligations created hereby and the release(s) contained herein, as well as for other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the Department and Ranch

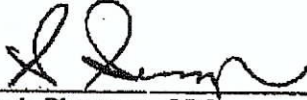
Pharmacy, LLC agree as follows:


1. The Recitals set forth above in this Agreement are hereby incorporated into this Agreement by reference as if fully set forth herein.
2. Ranch Pharmacy, LLC agrees that, as of the effective date of this Agreement, Ranch Pharmacy, LLC, its officers, employees, agents, and assigns shall not engage in the distribution of prescription drugs into the State of North Carolina or participate in interstate commerce without being issued a wholesale distributor license to conduct business within the State of North Carolina.
3. As evidence of good faith and as consideration for this Agreement, the Department agrees that, as of the effective date of this Agreement, the Department shall release Ranch Pharmacy, LLC from any and all liability arising out of the September 13, 2016 civil penalty.
4. Any such distribution of prescription drugs by Ranch Pharmacy, LLC, its officers, employees, agents, or assigns as prohibited in Paragraph 2 above shall be considered a breach of this Agreement and allow the Division to seek all available legal remedies.
5. No party admits or acknowledges any liability to any other party and specifically denies the existence of such liability.
6. The parties agree to bear their own attorneys' fees and costs associated with this Agreement and with the matters referenced in this Agreement.
7. The persons signing this Agreement below represent and warrant that they have full authority and representative capacity to execute this Agreement in the capacities indicated below, and that this Agreement constitutes the valid and binding obligations of all parties.
8. The parties acknowledge that this Agreement contains the entire agreement between them regarding the matters set forth and described in it, and that it supersedes all previous negotiations, discussions and understandings between them regarding such matters.
9. The terms of this Agreement are contractual and not a mere recital, and may be modified only in a writing executed and signed by all signatories hereto.
10. The parties acknowledge and agree that any and all disputes arising out of or under this Agreement, whether sounding in contract, tort or otherwise and including, among all others, the validity, construction, interpretation and enforcement of this Agreement, shall be governed by North Carolina law. Despite the foregoing, the parties further acknowledge and agree that this Agreement shall not be interpreted in favor or against any party based upon which party drafted or participated in drafting this Agreement.
11. If any of the provisions of this Agreement are later determined to be invalid or unenforceable by a court of competent jurisdiction, the provisions found to be invalid or unenforceable shall be treated as being severable from the other provisions of this Agreement and this Agreement shall be construed and enforced as if any such invalid

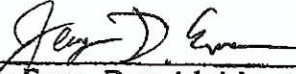
- or unenforceable provision(s) had not be including in the Agreement.
12. No promise or agreement other than those recited above has been made as consideration for the releases and discharges effected by this agreement and the parties will give these releases and discharges for the sole consideration recited above.
  13. This Settlement Agreement constitutes the entire agreement of the parties. All prior understandings, representations and agreements are merged in this agreement, and this Settlement Agreement and Release shall not be modified in any manner, except by written instrument signed by both parties.
  14. The parties attest that this Settlement Agreement is voluntarily made after ample opportunity to review the document with any individuals, advisors and counsel so desired.


*Agreement continues on the follow pages.*

IN TESTIMONY WHEREOF, the parties have set their hands and seals on the dates appearing below, by their signatures:

  
Ranch Pharmacy, LLC  
by 11-3-16  
DATE

  
(print name of individual signing  
on behalf of Ranch Pharmacy, LLC)

  
Jeremy Evans, Drug Administrator  
NCDA&CS Food and Drug Protection Division  
1001 Mail Service Center  
Raleigh, NC 27699-1614  
11-4-16  
DATE

  
Christopher R. McLennan  
Assistant Attorney General  
N. C. Department of Justice  
PO BOX 629  
Raleigh, NC 27602-0629  
11-4-16  
DATE